

CIA/OER/S-06845-75

Approved For Release by NSA on 08-12-2013 pursuant to E.O. 13526

JAPANESE SALES TO OPEC COUNTRIES

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JAPANESE SALES TO OPEC

Japanese sales to OPEC countries are increasing faster than those of any other major exporter. Exports last year increased 101%, rising to more than \$5.4 billion compared with \$2.7 billion in 1973. The increase accounted for one-fifth of the 65% rise in total OPEC purchases last year.

The physical volume of exports rose about 35%, largely on the strength of increased deliveries of intermediate goods, machinery, and other capital equipment. Steel, the largest single export item, rose particularly fast, climbing 70% above the 1973 level. Large price increases also pushed up the value of Japan's OPEC sales. On average, prices for Japanese goods sold in OPEC markets increased 50% last year.

The most striking export gains have occurred in larger OPEC countries such as Iran, Iraq and Algeria, where sales increased by 100% or more. In all instances Japan substantially increased its market share, primarily at the expense of West European suppliers. In Iran, an extreme case, Japan's share of the import market increased from 6% in 1973 to 20% in 1974. Japan's greatest market penetration has been in Indonesia where it supplies one-third of total imports.

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Exports to OPEC this year are off to another good start. Preliminary data for January indicate exports to the group showed nearly a 100% gain over the January 1973 level. Although the pace may slow in the months ahead, Japanese firms expect to add several billion dollars to their OPEC sales this year. Particularly large gains are expected in such countries as Venezuela and Algeria where Japan's market share is still relatively small. To help boost sales in these markets the Japanese have initiated a series of monthly meetings with commercial attaches from 11 Arab countries.

In addition to on-going marketing efforts, Japanese firms will begin delivery on a large number of supply contracts won during the past nine months. Delivery of at least \$200 million worth of power generating equipment, for example, will begin this year. The Japanese will also be supplying equipment on the numerous development projects they are now involved in. Japanese firms, for example, are constructing or planning to build six steel plants in OPEC countries involving total construction costs of \$1.3 billion. Deliveries on these and other projects will stretch over several years.

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JAPAN: EXPORTS TO OPEC COUNTRIES*
(million US dollars)

	<u>1973</u>	<u>1974</u>	<u>Percent Increase</u>
Indonesia	897	1,452	61.9
Iran	482	1,018	111.2
Iraq	49	477	873.5
Saudi Arabia	386	679	75.9
Kuwait	166	279	68.1
Qatar	20	46	130.0
U.A.E.	161	308	91.3
Venezuela	193	400	107.3
Ecuador	51	114	123.5
Algeria	51	155	203.9
Libya	110	233	111.8
Nigeria	141	286	102.8
Total	<u>2,707</u>	<u>5,447</u>	<u>101.2</u>

* f.o.b.

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JAPAN: IMPORTS FROM OPEC COUNTRIES*
(millions US dollars)

	<u>1973</u>	<u>1974</u>	<u>Percent Change</u>
Indonesia	1,919	4,102	113.8
Iran	1,670	4,292	157.0
Iraq	3	181	5,933.3
Saudi Arabia	1,202	4,710	291.8
Kuwait	510	1,911	274.7
Qatar	6	19	216.7
U.A.E.	478	1,901	297.7
Venezuela	24	42	75.0
Ecuador	40	20	-50.0
Algeria	5	31	500.0
Libya	30	325	983.3
Nigeria	164	404	146.3
Total	<u>6,096</u>	<u>17,937</u>	<u>194.2</u>

* f.o.b.

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JAPAN: MAJOR COMMODITY EXPORTS TO OPEC
(million US dollars)

	<u>1973*</u> <u>Value</u>	<u>1974*</u> <u>Value</u>	<u>Percent</u> <u>Change in</u> <u>Value</u>	<u>Percent</u> <u>Change in</u> <u>Volume</u>
Passenger Cars (1001-2000cc)	69.1	155.0	125.8	95.2
Trucks (Assembled)	51.4	97.8	90.2	57.3
Steel Products	630.4	1,723.5	173.4	70.9
Televisions (Black & White)	26.9	61.6	128.6	96.6
Radio-Tape Recorder Combination	43.3	98.7	127.8	100.3
Chemicals (Organic)	12.9	31.1	141.3	95.3
Chemicals (Inorganic)	12.7	27.8	119.3	28.2
Plastics and Resins	52.3	106.2	103.0	2.2
Synthetic Fibers, Filaments and Yarns	105.9	188.4	77.9	32.0
Synthetic Fabrics	217.1	305.6	40.7	33.5
Others	1,485.0	2,650.3	78.5	N.A.
Total	2,707.0	5,447.0	101.2	36.9

* f.o.b.

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(million US dollars)

	<u>1973 Value*</u>	<u>1974 Value*</u>	<u>Percent Change in Value</u>	<u>Percent Change in Volume</u>
Crude Oil	5,476	17,248	215	-3.8
Petroleum Products	348	931	167	-12.1
Other	1,132	1,750	54.6	N.A.
Total	<u>6,956</u>	<u>19,929</u>	<u>186.5</u>	<u>-4.6</u>

* c.i.f.

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